| IN THE CHANCERY COURT | OF DA | AVIDSON COUNTY, TENNES | TERRE |
|-----------------------------|--------|--|-------|
| FOR THE TWENTIETH JUDICIA | L DIST | TOTAL AND THE STATE OF THE STAT | 5 |
| STATE OF TENNESSEE, |) | DAVIDSON CO. CHANCERY | 5 |
| Plaintiff, |) | DC&M | |
| v. |) | Docket No. <u>03-3088</u> | |
| JOHN PLAUSSE |) | | |
| INTERNATIONAL, INC., |) | | |
| JOHN PLAUSSE, INDIVIDUALLY, |) | | |
| AND V. BOYD JEFFRIES, |) | | |
| Defendants. |) | | |
| | | | |

COMPLAINT

This civil action is brought in the name of the State of Tennessee, by and through the Attorney General (hereinafter "the State" or "Plaintiff"), pursuant to Tenn. Code Ann. § 47-18-108(a)(1) and 47-18-114 at the request of Mary Clement, the Director of the Division of Consumer Affairs of the Tennessee Department of Commerce and Insurance ("Division"). The Division has reason to believe that the defendants named herein have violated the Tennessee Consumer Protection Act of 1977, Tenn. Code Ann. § 47-18-101, et seq., and that this action is in the public interest.

The Attorney General brings this civil action regarding the unfair and deceptive acts and practices of John Plausse International, John Plausse and V. Boyd Jeffries. This action is based upon defendants' deceptive conduct in the selling of career services. Defendants' conduct has caused ascertainable losses to consumers.

I. JURISDICTION AND VENUE

1. The jurisdiction of this Court is invoked pursuant to the provisions of Tenn. Code Ann. §§ 47-18-108 and 47-18-1707. Venue is proper in Davidson County. *See* Tenn. Code Ann. §§ 47-18-108(a)(3) and 47-18-1707. The State has given the defendants ten (10) days notice under Tenn. Code Ann. § 47-18-108(a)(2). (*See* Exhibit A, Affidavit and Verification of Mary Clement, Director of the Division of Consumer Affairs).

II. DEFENDANTS

- 2. Defendant, John Plausse International, Inc. (hereinafter "JPI"), is a Tennessee corporation with its principal place of business located in Nashville, Tennessee. Defendant John Plausse International, Inc. may be served with process by serving John Plausse, 414 Union Street, Suite 1716, Nashville, Tennessee 37219.
- 3. Defendant, John Plausse, is the managing agent of John Plausse International, Inc.

 John Plausse can be served with process by service at his place of business: John Plausse

 International, Inc., 414 Union Street, Suite 1716, Nashville, Tennessee 37219
- 4. Defendant, V. Boyd Jeffries, was the Vice President of John Plausse International and is now Consultant to John Plausse International. V. Boyd Jeffries can be served with process by service at his place of business: John Plausse International, Inc., 414 Union Street, Suite 1716, Nashville, Tennessee 37219, or 1525 Broadway, Nashville, TN 37203.
- 5. Defendants, John Plausse and Boyd Jeffries, as individuals, directly participated in the unfair and deceptive practices set forth in this Complaint, had knowledge or should have had knowledge of the practices, and had the authority to control and stop the unfair and deceptive acts and practices.

III. FACTUAL ALLEGATIONS

The State alleges as follows:

- 6. The defendants offer services to the general public which defendants refer to as "career search programs."
- 7. In order to attract consumers to their office, the defendants advertise on the Internet, in the *Tennessean* newspaper, and by brochures.
- 8. The defendants' Internet site found at www.jplausse.com advertises that "85% of all positions are not publicized . . . Let's face it, unless a company knows you are available, they cannot consider you." The site goes on to state "(U)pon completing the proper research, we will strategically forward your candidacy throughout our proprietary network. We are able to quickly identify the right companies and decision-makers in the right areas and put your information in front of the right people fast."
- 9. The defendants' advertisement in the *Tennessean* states that "85% of Jobs are Not Advertised. Discover the 'Hidden' Job Market And the Career You Desire."
- 10. Typically, a consumer will call John Plausse International after seeing one of JPI's advertisements. Consumers are asked to send a resume to JPI and then asked to come in to the JPI offices.
- 11. Each consumer who comes to the office has an initial sales meeting with either John Plausse or Boyd Jeffries.
- 12. If consumers decide to use defendants services, they pay an up front fee of approximately \$3,800 to \$15,000.
 - 13. Some consumers are told by the defendants that the fee is tax deductible.

- 14. In the consumers' initial sales meetings with John Plausse or Boyd Jeffries, the defendants have made each of the following representations:
 - (a) 85% of jobs are unadvertised and JPI can tap into that "hidden job market".
 - (b) JPI is "well connected" and knows who the "players" are in town. They know the "top people". In addition, JPI has "thousands of contacts in hundreds of industries".
 - (c) JPI will get the consumer's resume in the hands of decision makers; will provide contact with the "decision makers".
 - (d) JPI will "bypass human resources" and get the consumer in front of the decision makers.
 - (e) Defendants Plausse and Jeffries will pick up the phone and "call the presidents and vice-presidents of companies in Nashville right now".
 They even know the cell phone numbers of these executives.
 - (f) JPI has contacts that the consumer could not possibly have or that would take the consumer years to get. With these connections, "JPI will get the consumer in the door and in front of the right people".
 - (g) JPI's connections allow defendants Plausse and Jeffries to know about jobs that are not publicly available.
 - (h) Defendants will get the consumer interviews with their contacts.
 - JPI does not accept just anyone as a client; they are very selective in choosing clients.

- (j) JPI does not use Internet websites or search engines to provide employment information or to assist the consumer in finding jobs. They use their vast network of connections.
- (k) JPI's advisors have several years of experience in placing clients.
- (l) JPI's advisors have extensive experience in the career management field and significantly influential business contacts in middle Tennessee.
- (m) The advisors have a small case load, usually between 25 and 30 clients, maximum.
- (n) The consumer will have a job in a specific number of weeks.
- (o) The consumer will have a job by a specified date.
- (p) The typical job search with JPI averages 9 to 12 weeks.
- (q) The typical job search with JPI averages 12 to 16 weeks.
- 15. The representations made in paragraph 14(a)-(q) are unfair and deceptive.
- 16. The defendants, particularly John Plausse and Boyd Jeffries, have made unfair and deceptive representations to individual consumers which were not fulfilled.
- 17. John Plausse told one consumer that it would be almost impossible not to find a job for the consumer. The defendants did not help this consumer find a job.
- 18. Many consumers felt they were paying for the "contacts" that the defendants represented that they would supply for the consumers.
- 19. Many consumers would not have paid such a large sum of money if the defendants did not represent that they had such vast connections that would be used to benefit the consumer.

- 20. Many consumers relied on the misrepresentations made by the defendants.
- 21. At times, the defendants have paid an incentive to the career counselors by paying them a commission when they found a job for a consumer.
- 22. Consumers or other persons, the exact number of whom is presently unknown to the plaintiff, have been injured and suffered ascertainable losses as a result of the defendants' acts and practices.

IV. VIOLATIONS OF THE LAW

Count I

The plaintiff incorporates by reference and realleges each and every allegation contained in Paragraphs (5) - (22).

- 23. At all times relevant to this Complaint, the conduct alleged in this Complaint occurred in the conduct of "trade", "commerce" and/or a "consumer transaction" and the offering of, or providing of, "goods" and/or "services" as defined in Tenn. Code Ann. § 47-18-103(5), (10) and (11).
- 24. All of the acts and practices engaged in and employed by the defendants as alleged herein are "unfair or deceptive acts or practices affecting the conduct of any trade or commerce" in Tennessee, which are declared unlawful by Tenn. Code Ann. § 47-18-104(a).
- 25. Each and every unfair or deceptive act or practice engaged in by the defendants as recited above constitutes a separate violation of the Tennessee Consumer Protection Act as provided by Tenn. Code Ann. § 47-18-104(b).

- 26. The defendants have caused the likelihood of confusion or misunderstanding as to affiliation, connection or association with another in violation of Tenn. Code Ann. § 47-18-104(b)(3).
- 27. The defendants have represented that services have characteristics, uses, benefits and that they have status, affiliation and connections that they do not have in violation of Tenn. Code Ann. § 47-18-104(b)(5).
- 28. By representing that goods or services are of a particular standard, quality or grade when they are not, the defendants have violated Tenn. Code Ann. § 47-18-104(b)(7).
- 29. By advertising goods or services with intent not to sell them as advertised, the defendants have violated Tenn. Code Ann. § 47-18-104(b)(9).
- 30. The defendants have used statements or illustrations in advertisements which create a false impression of the grade, quality, quantity, value, age, and usability of goods or services offered in violation of Tenn. Code Ann. § 47-18-104(b)(21).
- 31. By offering to sell goods or services when the offer was not a bona fide effort to sell the goods or services, the defendants have violated Tenn. Code Ann. § 47-18-104(b)(22).
- 32. All of the acts and practices engaged in and employed by the defendants as alleged herein are deceptive to the consumer in violation of Tenn. Code Ann. § 47-18-104(b)(27).

Count II

33. The plaintiff incorporates by reference and realleges each and every allegation contained in Paragraphs (5) - (22).

- 34. By attempting to place candidates seeking employment where the fee is not paid by the employer, defendants are an "employment agency" as defined in Tenn. Code Ann. § 47-18-1702(5).
- 35. By purporting to have access to job leads, not charging a fee to employers and maintaining an office for the purpose of marketing job information to the public and providing access to that information, defendants are an "employment agency" as defined in Tenn. Code Ann. § 47-18-1702(5).
- 36. Defendants impose a fee to candidates without any efforts by the defendants to furnish employment to the candidates in violation of Tenn. Code Ann. § 47-18-1703(1).
- 37. Defendants impose a fee on candidates prior to the time at which the candidate has secured a job in violation of Tenn. Code Ann. § 47-18-1703(2).
- 38. Defendants make, give or cause to be made or have given false promises, misrepresentations, or inaccurate or misleading statements or information in violation of Tenn. Code Ann. § 47-18-1703(5).
- 39. Defendants have referred candidates for an interview without having first obtained, either orally or in writing, a bona fide job order or recruiting assignment from an employer for an interview in violation of Tenn. Code Ann. § 47-18-1703(9).
- 40. Defendants have knowingly published or caused to be published false, fraudulent, deceptive or misleading information, representations, notices or advertisements in violation of Tenn. Code Ann. § 47-18-1703(11).
- 41. Pursuant to Tenn. Code Ann. § 47-18-1708, each of the violations mentioned in paragraphs 33 40 is a violation of the Tennessee Consumer Protection Act and constitutes an

unfair or deceptive act or practice affecting the conduct of trade or commerce and are subject to the penalties and remedies as provided by such act.

DEMAND FOR RELIEF

(5)

WHEREFORE, PREMISES CONSIDERED, THE STATE OF TENNESSEE PRAYS:

- (1) That this Complaint be filed without cost bond as provided by Tenn. Code Ann. §§ 20-13-101, 47-18-108.
- That process issue and be served upon defendants requiring them to appear (2)and answer this Complaint.
- (3)That this Court declare that defendants have engaged in the aforementioned acts or practices, which are in violation of the Tennessee Consumer Protection Act of 1977 and other laws and regulations.
- (4)That this Court grant prohibitory and mandatory injunctive relief against defendants to enjoin and ameliorate the foregoing acts or practices, which are in violation of the Tennessee Consumer Protection Act of 1977 and other laws and regulations.
- That this Court enter judgment against the defendants and in favor of the State for the reasonable costs and expenses of the investigation and prosecution of the defendants' actions, including attorneys' fees, as provided by Tenn. Code Ann. §§ 47-18-108(b)(4) and (a)(5).

of the alleged violations of the Tennessee Consumer Protection Act of 1977 or other laws and regulations including statutory interest as provided by Tenn. Code Ann. § 47-18-108(b)(1).

- (7) That this Court adjudge and decree that the defendants pay civil penalties of not more than one thousand dollars (\$1,000.00) per violation to the State as provided by Tenn. Code Ann. § 47-18-108(b)(3).
 - (8) That all costs in this cause be taxed against defendants.
- (9) That this Court grant plaintiff such other and further relief as this Court deems just and proper.

Respectfully submitted,

PAUL G. SUMMERS

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